

Company Registration No. 03739610 (England and Wales)

M CAPITAL INVESTMENT PROPERTIES LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2018

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M CAPITAL INVESTMENT PROPERTIES LIMITED

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M CAPITAL INVESTMENT PROPERTIES LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	3		37,765		41,376
Investment properties	4		1,021,994		1,280,994
Investments	5		12,308		90
			<u>1,072,067</u>		<u>1,322,460</u>
Current assets					
Debtors	6	787,689		354,025	
Cash at bank and in hand		6,038		25,374	
		<u>793,727</u>		<u>379,399</u>	
Creditors: amounts falling due within one year	7	(561,486)		(405,618)	
Net current assets/(liabilities)			<u>232,241</u>		<u>(26,219)</u>
Total assets less current liabilities			<u>1,304,308</u>		<u>1,296,241</u>
Creditors: amounts falling due after more than one year	8		(492,400)		(680,970)
Net assets			<u>811,908</u>		<u>615,271</u>
Capital and reserves					
Called up share capital	9		3		3
Share premium account			54,121		54,121
Profit and loss reserves			757,784		561,147
Total equity			<u>811,908</u>		<u>615,271</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 30 September 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

M CAPITAL INVESTMENT PROPERTIES LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 SEPTEMBER 2018

The financial statements were approved by the board of directors and authorised for issue on 28 June 2019 and are signed on its behalf by:

Mr D F G Wortley
Director

Company Registration No. 03739610

M CAPITAL INVESTMENT PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2018

1 Accounting policies

Company information

M Capital Investment Properties Limited is a private company limited by shares incorporated in England and Wales. The registered office is 76 Church Street, Lancaster, LA1 1ET.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from contracts for the provision of services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	25% straight line
Fixtures and fittings	33% straight line
Motor vehicles	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

M CAPITAL INVESTMENT PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2018

1 Accounting policies

(Continued)

1.4 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

1.5 Fixed asset investments

Interests in subsidiaries and associates are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

1.7 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include deposits held at call with banks.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

M CAPITAL INVESTMENT PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2018

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

M CAPITAL INVESTMENT PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2018

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Employees

The average monthly number of persons (excluding directors) employed by the company during the year was 3 (2017 - 4).

M CAPITAL INVESTMENT PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2018

3 Tangible fixed assets

	Plant and equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 October 2017	2,835	3,894	37,560	44,289
Additions	2,919	8,333	-	11,252
At 30 September 2018	5,754	12,227	37,560	55,541
Depreciation and impairment				
At 1 October 2017	568	1,167	1,178	2,913
Depreciation charged in the year	1,438	4,035	9,390	14,863
At 30 September 2018	2,006	5,202	10,568	17,776
Carrying amount				
At 30 September 2018	3,748	7,025	26,992	37,765
At 30 September 2017	2,267	2,727	36,382	41,376

4 Investment property

	2018 £
Fair value	
At 1 October 2017	1,280,994
Disposals	(259,000)
At 30 September 2018	1,021,994

The fair value of the investment property has been arrived at on the basis of a valuation carried out at 30 September 2018 by the directors of the company. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

5 Fixed asset investments

	2018 £	2017 £
Investments	12,308	90

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2018

6 Debtors

	2018	2017
	£	£
Amounts falling due within one year:		
Trade debtors	16,415	26,401
Other debtors	766,114	321,174
Prepayments and accrued income	5,160	6,450
	<u>787,689</u>	<u>354,025</u>

7 Creditors: amounts falling due within one year

	2018	2017
	£	£
Bank loans and overdrafts	30,238	37,214
Trade creditors	5,715	12,914
Amounts due to group undertakings	94,250	122,122
Taxation and social security	64,629	75,177
Other creditors	366,654	158,191
	<u>561,486</u>	<u>405,618</u>

Bank loans and overdrafts of £30,238 and other borrowings of £46,706 are secured by fixed and floating charges over the assets and undertakings of the company.

8 Creditors: amounts falling due after more than one year

	2018	2017
	£	£
Bank loans and overdrafts	404,868	546,460
Other creditors	87,532	134,510
	<u>492,400</u>	<u>680,970</u>

Bank loans and overdrafts of £404,868 and other borrowings of £87,532 are secured by fixed and floating charges over all assets and undertaking of the company.

Creditors which fall due after five years are as follows:

	2018	2017
	£	£
Payable by instalments	<u>283,915</u>	<u>379,240</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2018

9 Called up share capital

	2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
200 A Ordinary shares of 1p each	2	2
100 B Ordinary shares of 1p each	1	1
	<u>3</u>	<u>3</u>
	<u><u>3</u></u>	<u><u>3</u></u>

Each class of share rank pari passu in all respects save that the directors may at any time resolve to declare a dividend on one class of share and not another class.

10 Related party transactions

Transactions with related parties

The following amounts were outstanding at the reporting end date:

	2018 Balance £
Amounts owed by related parties	
Owners holding a participating interest	754,918
Key management personnel	3,170
	<u><u>758,088</u></u>
	2017 Balance £
Amounts owed in previous period	
Owners holding a participating interest	315,071
Key management personnel	5,091
	<u><u>320,162</u></u>

11 Directors' transactions

A director of the company had an overdrawn loan account with the company during the period. The details of this loan are as follows:

Description	% Rate	Opening balance £	Amounts repaid £	Closing balance £
Director Loan	-	5,091	(1,921)	3,170
		<u>5,091</u>	<u>(1,921)</u>	<u>3,170</u>
		<u><u>5,091</u></u>	<u><u>(1,921)</u></u>	<u><u>3,170</u></u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.